



***United States Attorney
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**U.S. JURY CONVICTS MAN OF FRAUD CHARGES ARISING FROM
SALE OF FRAUDULENT \$20 MILLION BANK STATEMENT**

JAMES B. COMEY, the United States Attorney for the Southern District of New York, announced that RALPH JARSON was convicted in Manhattan federal court of conspiracy and wire fraud charges stemming from JARSON's efforts to sell fake bank documents.

The conviction followed a two-week jury trial before United States District Judge MIRIAM GOLDMAN CEDARBAUM.

According to the Indictment and the evidence presented at trial, JARSON purported to be a sales agent for First Merchant Bank, an offshore bank based in "North Cyprus." The evidence at trial established that JARSON sought to sell a fraudulent \$20 million First Merchant Bank account statement to a brokerage firm for \$2 million. The evidence at trial established that JARSON believed the brokerage firm would use the fraudulent bank account statement to borrow money. In fact, JARSON negotiated the fraudulent transaction with an undercover agent of the Federal

Bureau of Investigation posing as a representative of the firm.

According to the Indictment and the evidence presented at trial, JARSON worked with others to sell fraudulent First Merchant Bank documents - including account statements and documents purporting to be "Letters of Credit" - that reflected assets that, in truth and in fact, did not exist.

According to the Indictment and trial testimony, JARSON promoted the fraudulent First Merchant Bank documents as products that would deceive regulatory agencies, potential lenders, and others about a business's or individual's net worth. JARSON and his coconspirators sold these deceptive documents for millions of dollars in fees.

According to the Indictment and the evidence presented at trial, JARSON sought to sell the undercover FBI agent's brokerage firm client a First Merchant Bank "special account statement" stating that the brokerage firm had an immediately available \$20 million, when in fact no such funds would be available. JARSON stated that the "special account statement" would include a reference number that would relate to an underlying agreement (the "RUF Agreement") between First Merchant Bank and the purchaser of the "special account statement." The RUF Agreement would provide that the balance listed on the "special account statement" would have to be collateralized (i.e., the purchaser would have to deposit collateral in excess of the balance listed on the "special

account statement" with First Merchant Bank) before any cash could be withdrawn from the Bank. JARSON promised that, if questioned by prospective lenders or other third parties, First Merchant Bank representatives would confirm the accuracy of the "special account statement," conceal the significance of the reference number, and conceal the fact that no money was or would be available to the purchaser of the statement.

JARSON's codefendant, HAKKI YAMAN NAMLI, who is sometimes addressed as "Dr. Yaman" and who purports to be the Chairman of First Merchant Bank, is a fugitive. He has also been charged.

JARSON, 53, who resides in Scottsdale, Arizona, was convicted of one count of conspiracy and five counts of wire fraud. JARSON was acquitted of one count of wire fraud, one count of violating the Travel Act, and one count of conspiracy. JARSON faces a maximum sentence of 5 years in prison for each of the 6 counts of which he was convicted, and a fine of \$250,000 or twice the gross gain or loss resulting from the crime.

Mr. COMEY praised the efforts of the Federal Bureau of Investigation, which conducted the investigation.

Assistant United States Attorneys ANDREW L. FISH and LAWRENCE GERSCHWER are in charge of the prosecution.

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